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C O N F I D E N T I A L SECTION 01 OF 02 THE HAGUE 000404

STPDTS

E.O. 12958: DECL: 07/06/2019 TAGS: PREL NL BL NU CU VE

SUBJECT: NETHERLANDS: WHA PDAS KELLY'S JUNE 25, 2009

MEETING AT THE DUTCH MFA

THE HAGUE 00000404 001.2 OF 002

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C O N F I D E N T I A L SECTION 01 OF 02 THE HAGUE 000404

SIPDIS

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SUBJECT: NETHERLANDS: WHA PDAS KELLY'S JUNE 25, 2009

MEETING AT THE DUTCH MFA

THE HAGUE 00000404 001.2 OF 002

Classified By: Political Deputy Eric Falls for reasons 1.5 (b,d)

- 11. (U) June 25, 2009; 8:45 am; The Hague, Netherlands.
- 12. (U) Participants:

#### United States

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Craig Kelly, Principal Deputy Assistant Secretary, WHA Eric Falls (Embassy notetaker)

#### Netherlands

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Laurent Stokvis, MFA Director for Western Hemisphere Affairs Peter Potman, Chief, North American Affairs Walter Oostelbos, Chief, South American Affairs Jan Jaap Groenemeijer, Senior Policy Advisor

13. (U) Summary: In a cordial, 45 minute meeting, WHA Principal Deputy Assistant Secretary Kelly and the Dutch MFA Director Stokvis discussed Cuba, Nicaragua, Bolivia, Venezuela, and other issues. The Dutch emphasized their support for recent American efforts to expand dialogue with Latin America.

Cuba

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¶4. (C) PDAS Kelly noted the President,s message that there exists a moment of opportunity for improving relations in the Western hemisphere. The President has announced several steps related to Cuba, and Cuba and the United States will

resume migration talks on July 14 in New York, the first such talks in five years.

- ¶5. (C) Stokvis praised U.S. policy developments, noting it was very important for the U.S. position in the hemisphere. He added that the Helms-Burton Act creates a horrible situation for companies facing EU action if they don't participate in Cuba trade, and U.S. penalties if they do.
- 16. (C) Stokvis emphasized the EU,s strong support for dialogue. In accordance with EU policy, the Dutch are trying to have a dialogue, but Cuba wants a guarantee that there will be no meetings between GONL officials and Cuban NGOs. Again in accordance with EU policy, the Netherlands cannot accept this precondition. Therefore, the bilateral dialogue is blocked. Cuba is treated as a political issue -- human rights is the primary thing for us -- as the Dutch do not hold substantial economic interests in Cuba. Northern Europe takes the same position as the Netherlands, but the Swedes will have a difficult time managing diverging EU opinions when they take on the EU presidency in July. In Cuba, policy is unlikely to change while Fidel remains in power, and there are unlikely to be any results on political prisoners.

### Nicaragua

- 17. (C) Kelly stated the Millennium Challenge Corporation (MCC) follows established governance indicators, and the MCC cut support to Nicaragua due to the problems with the municipal elections. President Ortega is following President Chavez,s playbook of blaming the United States for various internal problems. As a result, U.S. embassies in a few countries are trying to engage with all sectors despite host government pressure to self-censor and avoid a whole range of normal activities.
- 18. (C) Stokvis said that while the Netherlands has been a long-time donor in Nicaragua, the Dutch cut budget support to the GON after the recent voting fraud and FM Santos,s refusal to offer guarantees to support democratic reform. The Dutch froze 6 million euros in budget support in 2008, and 12 million euros in 2009. The Dutch are concerned that while they have worked to move the EU to cut budget support, international financial institutions continue to assist the GON. However, Dutch Minister for Development Cooperation Koenders does not intend to raise this issue publicly, but will instead push the issue quietly in order to maintain influence in Nicaragua.

## Bolivia

19. (C) Stokvis said that the Dutch give 42 million euros Q9. (C) Stokvis said that the Dutch give 42 million euros annually toward Bolivian development, with total, lifetime contributions near 1 billion euros. However, while they have good relations with Bolivia, it does not mean that they are able to influence President Morales. Regarding U.S.

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relations, the Dutch support recent U.S. overtures to Bolivia as the (best) way forward. The GOB MFA Director General told the Dutch he was not happy being at loggerheads with the Americans, but the Dutch believe nonetheless that there is deep GOB resistance to closer bilateral relations. Regarding counterdrug efforts, the Dutch believe DEA can be heavy-handed, but the EU cannot and does not want to replace U.S. programs. Stokvis urged the return of a U.S. ambassador to Bolivia, though the United States should move slowly and carefully.

110. (C) Kelly responded that the United States would welcome Brazil-EU-U.S. cooperation on this issue. Brazil is keenly interested in Bolivia to ensure gas supplies for Sao Paolo

and limit drug trafficking. There will be a private USG-GOB dialogue on June 29-30. (Note: The meeting was subsequently pushed back. End note.) It is positive that President Morales appears uneasy about growing drug trafficking in Bolivia and does not appear to want to lead a narco-state. More troubling is the fact that Mexican cartels may be moving south. (Note: Oostelbos agreed, noting that he had heard from Peruvian officials that they are concerned about the presence of Mexican cartels. End note.) Kelly encouraged EU messages of concern about the drug trafficking.

### Venezuela

- 111. (C) Stokvis began stating, we look carefully at Venezuela because it is a neighboring country to the Netherlands Antilles and Aruba, which are part of the Kingdom of the Netherlands. Venezuela sees the Netherlands Antilles as an unsinkable U.S. aircraft carrier. The Dutch regularly explain to the GOV that U.S. ship visits to Curacao are not a threat, but there still exists a certain suspicion from time to time. (Note: Stokvis added that the Dutch look carefully at U.S. nuclear aircraft carrier clearances, but otherwise offer automatic clearance to U.S. ships. End Note.) As a general rule, the Dutch want to maintain good relations. For example, the Dutch have ongoing contracts to upgrade the Curacao oil refinery, which is leased by Venezuela,s petroleum company, PVDSA. Good relations are also important for tourism -- for example, visitors to Willemstad buy Venezuelan goods. There is practical cooperation between the GONL and GOV on counternarcotics. Nonetheless, it is proving to be exceptionally difficult to get into discussions with the GOV. Within Venezuela, the economic difficulties are getting worse, particularly with ongoing nationalizations. Poverty and medical care are so problematic that even the basic care provided by Cuban doctors is well received. It is clear Chavez is becoming more autocratic and will stay a long time, although human rights in Venezuela are not bad. Although the Dutch have increasing worries about Venezuela, they continue to seek opportunities for dialogue.
- 112. (C) Kelly responded that Washington will send Ambassador Duddy back to Caracas, and that Washington was also looking for opportunities for dialogue. At the same time, we will make our principles clear, for example on freedom of expression. The opposition party Mayor of Caracas has been completely undercut by Chavez, who has restricted the mayor,s authority so that he cannot even manage the city,s firefighters. The mayor said that the U.S. statements on freedom of the press were well received.

# Other Issues

- 13. (C) Stokvis said the GONL-USG agreements on Forward Operating Locations in the Caribbean will be extended, QOperating Locations in the Caribbean will be extended, although the MFA prefers to leave the renewal process as it is because parliament will otherwise ask questions and raise tensions with Venezuela.
- 114. (C) Stokvis requested that the United States share information on the pathways to prosperity initiative, and Kelly promised to follow up. Kelly added the United States intends to host a fall event on female entrepreneurs in Latin America and would like to get the EU involved.
- 115. (U) This cable was cleared by PDAS Kelly. GALLAGHER